

The Economic Club of New York

Questions & Answers
to
William E. Colby
by
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HS: Mr. Colby, I think that probably in many American minds is the feeling that the CIA is sort of an invisible government...a sort of a phantom that looms over the regular government. Perhaps you could explain this a little bit--what is the actual relationship of the CIA to the President and what is its function as defined in the statutes?

WEC: With respect to the President, of course, there is a piece of paper over my desk which says that I serve at his pleasure and it is fairly simple. There are institutional ways provided in the statute by which he exerts that control over me. The statute says that CIA will do certain things and it will do such other functions and decisions related to the national security as the National Security Council may from time to time direct. Now our activities are directed by the National Security Council. Our responsibilities abroad --our responsibilities for various kinds of collection of foreign broadcasts and so forth--are all outlined

(WEC) in a series of directives by the National Security Council to me to carry out and I, of course, have to report to the National Security Council through a variety of committees, one of which you have heard of particularly, called the Forty Committee, which is a group of senior officials from the State, Defense Departments, the National Security Council, before whom I must justify and receive authority to do any action in the so-called covert action field. Now this does not mean that I set quietly until they tell me what to do. I look around at a problem, I come up with recommendations, but I get their approval before I actually can go ahead and carry them out.

HS: In this conception of the CIA function, what are the checks and balances? who really scrutinizes the inscrutable there? Is it done within the Government apparatus itself or does this only occur in sub-committees of Congress?

WEC: There are days in which I think I am very carefully scrutinized, indeed, by the press, among others, which I really don't have any objection to and which I can't understand our system. But, to start at the top: the President obviously has to be satisfied

(WEC) with what we are doing. He has appointed a Foreign Intelligence Advisory Board of twelve very distinguished private citizens who meet every two months, hold hearings, ask questions, do intelligence investigations. A measure of their reputations can be gathered from the fact that they include such gentlemen as Dr. Teller, Dr. Edwin Land, Mr. Gordon Gray, Governor Rockefeller, various other people and Mrs. Luce. These are all members of this particular board and they look into our affairs and they make recommendations to the President about foreign intelligence and sometimes they take issue and they say that we have not appreciated a situation properly and we have had a few arguments, which is fair enough. I then have to justify the position we have taken.

With respect to our budgets, we are subject to the normal Office of Management and Budget review of our budgets. We have examiners who come in and examine our requests, cut us, and the normal relationship of any department conducted in a compartmented and secret way. But these gentlemen work for the OMB and they have the problem of squeezing our desires into their availabilities, and so they consequently look around for what can be cut satisfactorily.

(WEC) With respect to the Congress, there are, by Congressional establishment...a long time ago...two subcommittees of the Armed Services. The reason it is Armed Services is that CIA was set up in the National Security Act and in the jurisdictional arrangements in the Congress, this then carries on and gives them authority for oversight and I appear before those. We have a standing arrangement with both of these committees. I call the Chairman of one every Monday morning at 10:00 o'clock and tell him anything that I think should be brought to his attention or arrange a meeting during the week to discuss something. As to the other, a formal hearing once every two weeks and we then go up and tell them what we think is going on in the world, and any problems that have arisen in our operations. We also have the Appropriations Committee where there are subcommittees again and, of course, once a year we go to them and describe our budget in great detail and depth and go into any detail that they are interested in on that subject. So in terms of the Congressional review, I think it is very intense. It obviously has increased in intensity in the past few years because, quite frankly, in the early days of our Agency, the aura of mystery and secrecy was around intelligence and

(WEC) frequently the Congressmen themselves or the Senators decided that they really didn't want to probe into the secrets because they were afraid if they learned them they might spill them. Actually, I have frequently said that the record of the Congress at keeping our secrets compares extremely favorably to that of the Executive Branch. (Much laughter)

HS: Mr. Colby, there has been--I know you are aware--some criticism of the actual work of these Congressional committees, some allegations by some other members of the Congress who are not on those committees and also in the press, suggesting that you've tamed these watchdogs so well that really they eat out of your hands. I suppose you wouldn't agree with that evaluation.

WEC: Well, I have been subjected to some very sharp questioning by them and, believe me, some of those nice, soft, Southern political leaders, they can be very good county prosecutors, too. (Laughter)

HS: I am wondering whether, in this system, what protections are built into it against two phenomena: one is the self-fulfilling prophecies which seems to me to be a problem you must confront constantly; and then there is the other thing where you have an action program of tilting the evidence in favor of something in which

(HS) the Agency has decided it wants to have approval on.

WEC: Those are very good questions. The first one is a problem we frankly have to wrestle with because it is true that people sit, look at the evidence, make tentative estimates about what they mean and there is a bit of a tendency to receive that additional item of information and carefully fold it in to the pre-conceived notion. There is no question about that: that that's a danger and that quite frankly we have made intelligence mistakes. As a result of that--I can think of a rather prominent one. The fact is, however, that we try to set ourselves up against that. We have a procedure by which the different agencies of the intelligence community must consult on an estimate of some particular situation and the man who is responsible for signals intelligence will feel very strongly as to what his particular evidence indicates, while the man who is responsible for political intelligence, perhaps, will say, "Oh, don't worry about it." The fact that you have to consult on this, the fact that the final estimate has to be mine, period, no others, but that I am obliged to present any substantially dissenting opinions, does give the President, the National Security Council, a different opinion and I have in

(WEC) my bag one that we are working on tomorrow where the number of different opinions in that particular paper in question we are addressing, is such that it is almost a little hard to follow the rationale of the paper because the various departments and agencies are differing.

On the second question about the question whether engaged in an operation we then only see the things that support it--this is a criticism that was made with some justice on the Bay of Pigs: that the operators who were in charge of the operation, to keep it very carefully...very secret...as they had to, and the analysts didn't get a chance to be critical about it. Our analysts did get a chance to be critical about the war in Vietnam and you have heard a little bit about our position on that in which they were critical of even steps taken at the highest level of our Government. And that, I think, is a function of intelligence: to take that intelligence assessment and appraise it.

We do have it arranged that if we are engaged in some covert action today, that this paper that goes up to the National Security Council seeking approval to conduct the activity must be shown to the analytical side of our Agency and I have had situations in which the gentleman--one or two gentlemen--on that side of the

(WEC) Agency have come up to me and said that they really don't agree with this, that it didn't seem to make sense, which then required me to review and think about it.

HS: Several years ago I happened to be out in Honolulu and I was approached by the chief intelligence officer for CINPAC out there who had a problem. He said that his commander insisted that when he layed down his intelligence analysis daily that he place beside that a copy of the New York Times so that the commander had the choice of the information that the intelligence officer gave him and what was in the Times. (Laughter) Now the problem which this officer had was that he wanted to receive the New York Times by air mail. At that time we had an edition...the only edition we supplied air mail was the Paris edition...and he was getting the Paris edition several days late and he had to delay his intelligence estimates for that reason. I arranged for him to get a New York copy flown out very rapidly to help him with his problem. (Much laughter) You don't have that problem. You have the Times every day and the Washington Post also. (More laughter) You think it a wise precaution for anyone before acting on your analyses to take a check of these newspapers as well? (Much laughter and applause)

WEC: I would say that we not only use the New York Times but we use a variety of other newspapers.....(laughter)no, we have the greatest respect for the function of the press and what it does--sometimes against us-- but particularly in terms of trying to assess and understand a foreign situation. We do have additional sources, some of....(interrupted by laughter)...however, sometimes the press can get into things that are very difficult for our people to get to and I think the whole concept behind the establishment of CIA was not that we would run a competing service, but that we would profit by the contribution made by the press, add to it the additional matters that cost us a lot of money to get, subtract out of it what somebody has leaked to the New York Times, and hopefully arrive at a better total appraisal.

(Members of audience: "Very good!")

HS: I wonder if I could have one more question with Mr. Colby? Most of your remarks and all my questions were devoted to intelligence which is a field in which the Agency has extraordinary high marks and those who had (which) a peak at the Pentagon Papers/shows that its record in Vietnam was extremely good and, generally speaking, it is very good. The criticism of the Agency is no secret to you--it comes from the covert operations in many

(HS) different countries and particularly in the outburst on Chile of late, (and) in very recent days we have had Dr. Kissinger in India having to pledge, cross his heart, to Madam Gandhi that you are not going to overturn her government or operate in India. We have had a story in the Times...

WEC: (interrupted to say:) overturn her government. (Much laughter)

(Mr. Lichtblau: I missed that, what did he say?)

(HS: Overturn the government in India. Mr. L: Oh!)

HS ...had a story from Italy about the fears that the CIA is going to do something dreadful and, and yet you say that at the moment you practically phased out clandestine activity. I think you were quoted...

WEC: Phased down

HS: ...phased it down and that you didn't think the heavens would--didn't you say--tell Congress last spring that the heavens wouldn't fall if you had to give it up entirely...

WEC: ...at this time...it wouldn't fall at this time.

(More laughter)

HS: You want to keep a hand in there? (Laughter)

WEC: I think it is important that we have the potential, yes.

HS: I have seen estimates that you have had sort of a deluge of exposés of the CIA and some of your people

(HS) are telling all and that sort of thing, suggesting that actually in your budget the clandestine side is taking the lion's share--four-fifths or something like that--of your budget. Wouldn't that--if you were really to phase it down--wouldn't that cut you back enormously?

WEC: I think here you have to distinguish the differences between what I call clandestine collection--which does take a substantial amount--and the covert actions or political operations that you're mentioning. It is the latter that by reason of the change in the world today, are at quite a low level. I don't say I was misquoted at one time as saying that it had been stopped. That is not so. There still are some, but at a very low level in deference to the kind of world we live in today, but again, I do say that this is an important tool for our country to have available to it.

HS: May I squeeze in one question I have about the Middle Eastern situation which I think most everyone in this room is worried about? Is there anything clandestine or unclandestine--you could tell us about that?

WEC: Well obviously there are a lot of things you can talk... I would not refer to our operations. I cannot do that in public, unfortunately, because they become known to the various people who really don't think very well

(WEC) ...but the fact is that the Middle East obviously is a major problem to our country: it is a major political problem; it is a major economic problem, it is a major arena in which we have a problem to face with the Soviet Union and consequently it is a very important intelligence target for our assessments, for our technical intelligence, for our overt collection through our Foreign Service Officers and through our listening to radio broadcasts and through our clandestine operations. No question about it. It is a very important subject for our intelligence today.

HS: Would it be violating your standards or principles if I asked you whether or not you had accurately forecast and predicted the Arab oil embargo?

WEC: The easiest thing...in the first place, in answer to your basic question, and there are no indiscreet questions, only indiscreet answers....(Much laughter)...with respect to the Arab oil embargo, the easiest thing for any intelligence officer to do after an event is to reach down and find that one report down here that said it was going to happen--that is simple. The question really, however, is: were our leaders alerted to this danger? I think I would give us pretty good remarks on that but not perfect ones by a long shot.

HS: Do you have any predictions for the Middle East?

WEC: It is going to be a subject of great importance and
great difficulty to us... (Much laughter and applause).

End of Question and Answer Period.

Closing remarks and thanks by the Chairman.